

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer: KENNETH H. PONCE and MARIELLE S. PONCE

Business Address: 4611 Mamane Street, Kapaa, Hawaii 96746

Project Name(*): HALE AIKANE

Address: Lot 220, Kaehulua Road, Kapaa, Hawaii 96746

Registration No. 5766

Effective date: September 17, 2008

Expiration date: October 17, 2009

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, in any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

☐ **PRELIMINARY:**
(yellow)

The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.

☐ **FINAL:**
(white)

The developer has legally created a condominium and has filed complete information with the Commission.

☐ No prior reports have been issued.

☐ This report supersedes all prior public reports.

☐ This report must be read together with _____

☒ **SUPPLEMENTARY:**
(pink)

This report updates information contained in the:

☐ Preliminary Public Report dated: _____

☒ Final Public Report dated: November 17, 2005

☐ Supplementary Public Report dated: _____

And

☐ Supersedes all prior public reports

☒ Must be read together with the Final Public Report _____

☒ This report reactivates the Final _____

public report(s) which expired on December 17, 2006

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104/0107

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

- ☒ Required and attached to this report (attached hereto as Amended Exhibit G) ☐ Not required - Disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

- ☐ No prior reports have been issued by the developer.

- ☒ Changes made are as follows:

1. The Declaration of Condominium Property Regime Hale Aikane dated April 22, 2005 was amended by the Second Amendment to the Declaration of Condominium Regime of Hale Aikane, dated June 10, 2008 and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2008-100932 ("Second Amendment to Declaration"). The changes to the Declaration include:
 - a. The addition of "Amended Condominium Map No. 3987."
 - b. The deletion of the description of Unit 4 under Section II Property Division and replacing it with a new description of Unit 4, inclusive of a dwelling and shed on the limited common element.
2. The pages attached were replaced because information thereon was updated. They replace the corresponding pages in the Final Public Report.
3. A third party purchased Unit 1 of this five-unit project. The developer is aware that the third-party buyer is constructing a dwelling on Unit 1; however, the developer does not have the building plans and is unable to make any representations concerning the dwelling constructed on Unit 1. A third-party buyer is responsible to amend the declaration and condominium map to reflect new construction pursuant to Section 16(b) (page 14) of the Declaration. Potential purchasers of the four remaining units of this project should consult with appropriate Kauai County agencies to determine what impact, if any, the dwelling on Unit 1 will have on the remainder of the project.

SPECIAL NOTICE:

THIS IS A CONDOMINIUM PROJECT, NOT A SUBDIVISION. There are County restrictions on the number of dwelling units, or other structures, which may be built upon the property. Therefore, unless the purchaser is purchasing an existing dwelling, there is no assurance that the purchaser will be able to build a dwelling unit on the property. There also is no assurance that the purchaser will be able to convert an existing non-residential structure to residential use. The purchaser should consult with the appropriate County agencies to determine whether the purchaser may build a dwelling unit, or any other type of structure.

1. The developer is presently aware of one dwelling under construction on Unit 1 (other structures may be located on Unit 1; however, the developer is without knowledge concerning such other structures, if any) and a dwelling under construction on Unit 4. The only other structures on the project are three (3) shade structures, each of which may be defined as an "apartment" under the Condominium Property Act.
2. Issuance of an effective date for this Public Report does not constitute an approval of the project by the Real Estate Commission, or any other governmental agency, nor does it imply that all County codes, ordinances and subdivision requirements have been complied with.
3. This project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit, as shown on the Condominium Map, is designated as a limited common element for that unit and does not represent a legally subdivided lot. The dotted or dash lines on the Condominium Map generally represent the location of the limited common element or easements assigned to each unit.

(see page 2a)

SPECIAL NOTICE (continued):

4. Facilities and improvements normally associated with County approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for and services such as County street maintenance and trash collection will not be available for interior roads and driveways.
5. At present there is a County public water system available from the public road adjacent to this project. Those desiring to construct improvements on such units will be required to connect to County water at their own expense.

THIS PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

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I. PERSONS CONNECTED WITH THE PROJECT

Developer: Kenneth H. Ponce and Marielle S. Ponce Phone: (808) 822-7650
Name* (Business)
4611 Mamane Street, Kapaa, Hawaii 96746
Business Address

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):

N/A

Real Estate
Broker*: Vision Properties, Inc. Phone: (808) 822-4444
Name (Business)
1070 Kuhio Highway
Business Address
Kapaa, Hawaii 96746

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0211
Name (Business)
235 Queen Street, 1st Floor
Business Address
Honolulu, Hawaii 96813

General
Contractor*: Archie Wantanabe Inc. Phone: (808) 245-4208
Name (Business)
3168 Alohi Street
Business Address
Lihue, Hawaii 96766

Condominium
Managing Agent*: Self-Managed by the Association of Phone: _____
Name (Business)
Apartment Owners
Business Address

Attorney for
Developer Glen T. Hale Phone: 808-245-4100
Hale & Goldberg LLP (Business)
Name
2970 Kele Street Suite 210
Business Address
Lihue, Hawaii 96766-1803

*For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

☐ Proposed

☒ Recorded - Bureau of Conveyances:

Document No. 2005-080241

Book _____ Page _____

☐ Filed - Land Court:

Document No. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:

First Amendment to the Declaration of Condominium Property Regime of Hale Aikane, dated July 18, 2005, recorded as Document No. 2005-150218.

Second Amendment to the Declaration of Condominium Property Regime of Hale Aikane dated June 10 2008, recorded as Document No. 2008-100932.

B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

☐ Proposed

☒ Recorded - Bureau of Conveyances Condo Map No. 3987

☐ Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]: Second Amendment to Declaration of Condominium Property Regime of Hale Aikane dated June 10, 2008, recorded as Document No. 2008-100932.

C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

☐ Proposed

☒ Recorded - Bureau of Conveyances:

Document No. 2005-080242

Book _____ Page _____

☐ Filed - Land Court:

Document No. _____

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

Fee Owner: Kenneth H. Ponce and Marielle S. Ponce

Lessor: N/A
Name _____
Address _____

C. Buildings and Other Improvements:

1. ☒ New Building(s)
☐ Conversion of Existing Building(s)
☐ Both New Building(s) and Conversion

2. Number of Buildings: two dwellings; four sheds Floors Per Building one
(amended)
☒ Exhibit A contains further explanations.

3. Principal Construction Material:

☒ Concrete ☐ Hollow Tile ☒ Wood

☐ Other _____

4. Permitted Uses by Zoning:

	No. of Apts.	<u>Use Permitted by Zoning</u>	
<input checked="" type="checkbox"/> Residential	<u>2</u> (Unit 1 & 4)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Other:(shade shed)	<u>3</u> (Units 2, 3, and 5)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Is/Are this/ these use(s) specifically permitted by the project's Declaration or Bylaws?

☒ Yes ☐ No

*NOTE: The subject property is within the State Land Use Agricultural District and is zoned Agricultural by the County of Kauai. "Farm Dwellings" and other structures appropriate to agricultural usage are permitted, subject to certain guidelines. See the disclosures on Page 20 of this Final Public Report and Exhibit "J", Sample Farm Dwelling Agreement.

5. **Special Use Restrictions:**

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

- [x] Household pets may be kept consistent with any applicable law or restrictive covenants applicable to the project so long as they do not become a nuisance to the other owners.
- [] Number of Occupants: _____
- [x] Other: Protective Covenants, Conditions and Restrictions, a summary of which is attached hereto as Exhibit "I". See also Land Patent Grant No. 11,451 and Grant of Easement.
- [] There are no special use restrictions.

6. **Interior** (fill in appropriate numbers):

Elevators:	-0-	Stairways:	-0-	Trash Chutes:	-0-
Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
Unit 1**	1	**	**	**	Dwelling
Unit 2	1	n/a	n/a	320	Shade Shed
Unit 3	1	n/a	n/a	20	Shade Shed
Unit 4	1	3/2 1/2	3,237	296 (lanai), 238 (porch), 644 garage	Dwelling
Unit 5	1	n/a	n/a	320	Aq. Shed
				20	Shade Shed

Total number of Apartments: five (5)

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

**Unit 1 was purchased by a third-party buyer; therefore, the developer has no knowledge regarding the structure, does not have the building plans, and makes no representation concerning the structure on Unit 1 other than to say that a dwelling is located on Unit 1.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment: Per Article II of the Declaration of Condominium Property Regime, the boundaries of each apartment shall be the outer surface of the entire building. Wires or conduits, pipes or any utility lines running over, under or through any apartment which are utilized for or serve more than one unit shall not be deemed a part of the apartment, the same being deemed common elements.

Permitted Alterations to Apartments: Permitted alterations to apartments are as allowed by County of Kauai zoning ordinances and recorded restrictions on the project, if any. Upon construction of each permanent improvement, an amendment to the Declaration of Condominium Property Regime will be required to disclose actual improvements as a matter of public record. Where structure(s) other than a farm dwelling currently serve as apartment(s), for any unit(s) otherwise allowed to construct a farm dwelling, it is anticipated that a farm dwelling will either replace the existing improvement(s) or be added thereto. The owner of any altered unit shall have the right and duty and shall be required to amend the Declaration and the Condominium Map to reflect any such alterations. As long as all legal requirements are met as required herein, all other unit owners, by acquiring an interest in any other unit, shall be deemed to have been granted a power-of-attorney from all other unit owners to execute an amendment to the Declaration solely for the purpose of describing the alterations to his respective unit.

Apartments Designated for Owner-Occupants Only:

Fifty percent (50%) of residential apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by Section 514A-102, HRS; or include the information here in this public report and in the announcement. Developer has N/A elected to provide the information in a published announcement or advertisement.

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which use them, as described in the Declaration, are:

☒ described in Exhibit E.

☐ as follows:

3. Common Interests: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interests." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

☒ described in Exhibit C (amended).

☐ as follows:

- E. **Encumbrances Against Title:** An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property on or your purchase and ownership of an apartment in the project.

Amended Exhibit F describes the encumbrances against the title contained in the title report dated July 1, 2008 and issued by Title Guaranty of Hawaii, Inc.

G. **Status of Construction and Date of Completion or Estimated Date of Completion:**

A dwelling is being constructed by a third-party buyer on Unit 1. The developer makes no representation concerning the status of the construction of this dwelling

The dwelling on Unit 4 is under construction. The Developer estimates completion in June 2009.

H. **Project Phases:**

The developer ☐ has ☒ has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

N/A

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all the documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules, if any.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other Land Patent Grant No. 11,451, and Grant of Easement

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following:

Website to access official copy of laws: www.capitol.hawaii.gov

Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs

Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 5766 filed with the Real Estate Commission on August 12, 2005.

Reproduction of Report. When reproduced, this report must be on:

☐ YELLOW paper stock

☐ WHITE paper stock

☒ PINK paper stock

C. **Additional Information Not Covered Above:**

This is a condominium project, not a subdivision. Units purchased are not on subdivided lots. To determine whether your expectations can be realized, you should carefully review the contents of this Report, especially Exhibit "I" to this report which is a summary of the recorded restrictive covenants for this project. Among other things, the restrictive covenants govern land use, building type and materials, possession of animals, and cultivation of crops. You should also conduct your own investigations and ascertain the validity of information provided.

There are presently two residential structures on the project. The structure on Unit 1 is owned by a third-party buyer. The developer does not have the building plans and is unable to make any representations concerning the dwelling under construction on Unit 1. A third-party buyer is responsible to amend the declaration and condominium map to reflect new construction pursuant to Section 16(b) (page 14) of the Declaration. The owner of Unit 1 has, apparently, not amended the declaration or the condominium map. Potential purchasers of the four remaining units of this project should consult with appropriate Kauai County agencies to determine what impact, if any, the dwelling on Unit 1 will have on the remainder of the project. The structure on Unit 4 is under construction. The structures on Units 2, 3 and 5 are shade structures, each of which may be defined as an "apartment" under the Condominium Property Act. These can be replaced by or remodeled as allowed by law and project documents (refer to Section XVI(a) of the Declaration). The prospective purchaser shall have the right to undertake such work at purchaser's expense. The purchaser shall also, in such event, file the "as-built" certificate within thirty days of completion of the residence in conformance with Section 514A-12, Hawaii Revised Statutes, and record an amendment of the Declaration of Condominium Property Regime ("Declaration") to describe the residence. The County of Kauai Planning Department, in order to process the necessary permits for the construction of any other structure, requires authorization from at least 75% of the legal and equitable ownership of the entire project, consistent with the Declaration and the Bylaws ("condominium documents").

Except as limited specifically by the condominium documents and subdivision restrictive covenants, all uses permitted in the agricultural zone are permitted. Uses in one zone are not the same as in the other, and the prospective purchaser should consult the appropriate county agency for information on uses and construction in the respective zones.

A buyer should understand that all development and use of the property shall be in compliance with County codes and ordinances, that owners in this condominium project will not necessarily receive the same County benefits as owners of approved subdivided lots, and that owners who develop their limited common element later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations.

Purchasers should be aware that Chapter 205, Hawaii Revised Statutes (HRS), does not authorize residential dwellings as a permissible use in an agricultural use district, unless the dwelling is related to an agricultural activity or is a "farm dwelling".

The term "farm dwelling" is defined in Chapter 205-4.5(a)(4), HRS, as a "single family dwelling located on and used in connection with a farm, including clusters of single-family farm dwelling permitted within agricultural parks developed by the State or where agricultural activity provides income to the family occupying the dwelling."

The penalty for violation of Chapter 205-4.5, HRS, is a fine of not more than \$5,000. If any person who is cited for a violation of the law fails to remove the violation within six months of such citation and the violation continues, such person is subject to a citation for a new and separate violation. There shall be a fine of not more than \$5,000 for any additional violation.

In order for any purchaser to obtain a building permit to construct a single-family residential ("farm dwelling"), the County of Kauai will require the purchaser to sign a Farm Dwelling Agreement in the form attached as Exhibit "J" to the Final Public Report.

(see page 20a)

C. **Additional Information Not Covered Above: (continued)**

This Project is entitled to one guest house subject to Kauai County approval. The right to construct the guest house has been assigned to Unit 4. This right may be assigned to any other unit in the Project by written agreement which is recorded in the Bureau of Conveyances of the State of Hawaii. All provisions of the Comprehensive Zoning Ordinance of the County of Kauai, and any other laws, ordinances or regulations with applicability, shall be observed by the owner of the unit to which the guest house right applies. No use of the guest house shall impair the right of any other unit owner to construct a farm dwelling, or the offending aspect(s) of the guest house shall be removed promptly.

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

KENNETH H. PONCE and MARIELLE S. PONCE
Name of Developer

By: Kenneth H. Ponce
Duly Authorized Signatory*

July 18, 2008
Date

By: Marielle S. Ponce
Duly Authorized Signatory*

July 18, 2008
Date

KENNETH H. PONCE and MARIELLE S. PONCE, Owner/Developer
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Kauai

Planning Department, County of Kauai

***Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner, Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.**

EXHIBIT A

AMENDED CONDOMINIUM MAP NO. 3987 (for Unit 4 of Hale Aikane)

NOTES:

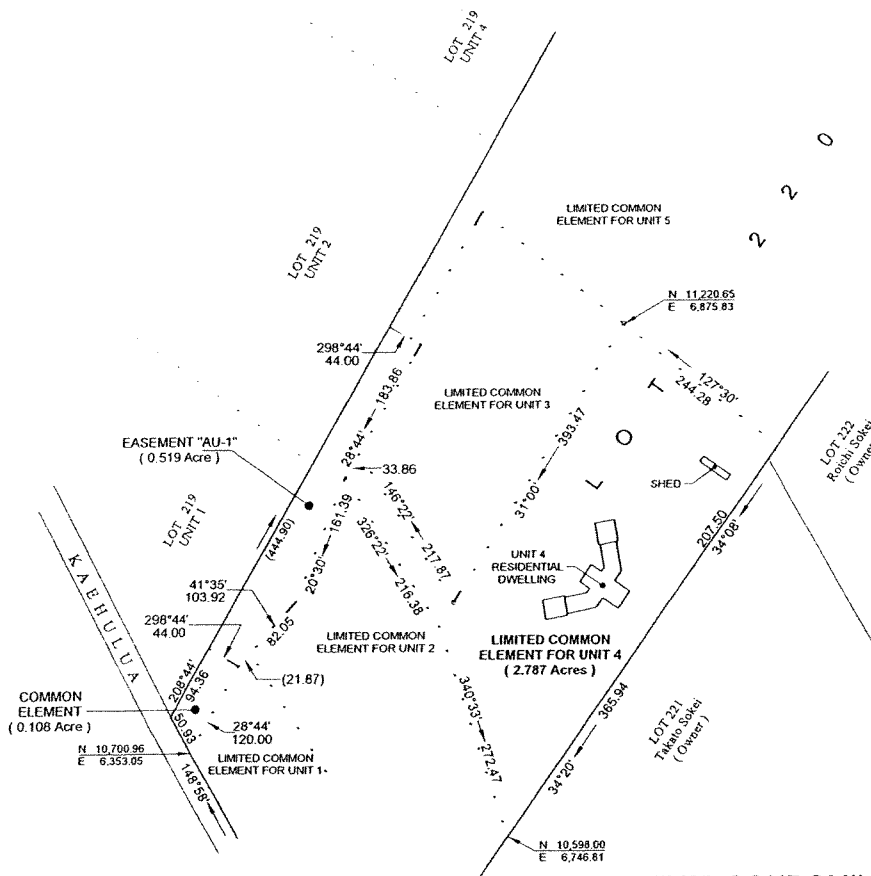
- 1 This project does not involve the sale of individual subdivided lots. The dotted lines on the Condominium Map are for illustration purposes only. They represent either a limited common element or common element.
- 2 Underground utilities, septic tanks, etc. were not field located except as shown.
- 3 The location, existence, size, depth, condition, capacity, etc. of any drainage system, sub-surface water system, cesspool/septic tank system, sewer line, or utility lines to the property, except as shown, are not a part of this map. The appropriate governmental and/or utility agencies should be contacted for this information.
- 4 Coordinates based on Government Survey Triangulation Station "NONOU".
- 5 Easement "AU-1" affecting Unit 5 in favor of Units 2, 3, and 4 for Access and Utility Purposes. (0.519 Acre)

CLS HAWAII
Land Surveying & Mapping
P.O. Box 777
Kalaheo, Kauai, Hawaii 96741
808 635 3700 • fax 808 332 8910
surveyor1@CLSHawaii.com



0 50 100 200
GRAPHIC SCALE IN FEET

REDUCED
NOT TO SCALE



THIS WORK WAS PREPARED BY ME
OR UNDER MY DIRECT SUPERVISION.

Roger M. Cairns

ROGER M. CAIRNS
Licensed Professional Land Surveyor
Certificate Number 7919
Expires 04/30/10

AMENDED CONDOMINIUM MAP #3987

FOR
UNIT 4
OF

"HALE AIKANE"
BEING PORTION OF LOT 220
KAPAA HOMESTEADS, 4th SERIES
KAPAA, KAWAIIHAU, (PUNA), KAUAI, HAWAII
Tax Map Key: (4) 4 - 6 - 012: 116
Area: 15.651 Acres

September 3, 2004
Amended: April 11, 2008

AMENDED EXHIBIT C

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

Quantity	Unit No.	Area of Limited Common Element* (Sq. feet)	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. Ft.)	% of Common Int.
1	1	1.388 Acres	**	**	**	20%
1	2	2.008 Acres	None	None	20 (shed)	20%
1	3	1.722 Acres	None	None	20 (shed)	20%
1	4	2.787 Acres	3/2.5	3,237	238 (porch) 296 (lanai) 644 (garage) 320 (storage shed)	20%
1	5	7.638 Acres	None	None	20 (shed)	20%

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed. There are five units, each of which will burden the common elements equally. Therefore, the assessment of undivided interest both for common expense and for voting is 20% for each unit.

The common interest appurtenant to each unit shall be permanent. Subject to the zoning requirements and amendments of the Condominium Map and the Declaration of Condominium Property Regime, each unit owner may use the unit, alter or add to it in any manner deemed desirable, so long as it is permitted by law and the Declaration of Protective Covenants and House Rules, if any. If adjoining unit owners desire to alter and/or transfer portions of their respective units, they can do so by the filing of an amendment to the Condominium Map and the Declaration of Condominium Property Regime together with their respective signatures.

*Note: Land areas referenced herein are not legally subdivided lots.

**Unit 1 was purchased by a third-party buyer; therefore, the developer has no knowledge regarding the structure, does not have the building plans, and makes no representation concerning the structure on Unit 1 other than to say that a dwelling is located on Unit 1.

END OF AMENDED EXHIBIT C

EXHIBIT F

ENCUMBRANCES AGAINST TITLE

1. Real Property Taxes. Check with the County of Kauai, Department of Finance, Real Property Tax Division, for detailed information.
2. Free flowage of stream as shown on tax map.
3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: LAND PATENT GRANT NUMBER 11,451

DATED: September 5, 1947

The foregoing includes, but is not limited to, matters relating to water reservation.

4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: DECLARATION OF CONDOMINIUM PROPERTY
REGIME OF "HALE AIKANE" CONDOMINIUM
PROJECT

DATED: March 11, 2005

RECORDED: Document No. 2005-080241

MAP: 3987 and any amendments thereto

Said Declaration was amended by the certain instrument dated July 18, 2005, recorded in the Bureau of Conveyances as Document No. 2005-150218, and instrument dated June 10, 2008, recorded in the Bureau of Conveyances as Document No. 2008-100932.

5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: BY-LAWS OF THE ASSOCIATION OF APARTMENT
OWNERS

DATED: March 11, 2005

RECORDED: Document No. 2005-080242

6. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: DECLARATION OF PROTECTIVE COVENANTS AND
HOUSE RULES OF HALE AIKANE

DATED: March 11, 2005
RECORDED: Document No. 2005-080243

7. GRANT

TO: KAUAI ISLAND UTILITY COOPERATIVE, a
cooperative association and VERIZON HAWAII, INC.,
now known as HAWAIIAN TELCOM, INC.

DATED: April 20, 2005
RECORDED: Document No.2005-121219
GRANTING: a perpetual right and easement for utility purposes

8. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described herein.

END OF EXHIBIT F

AMENDED EXHIBIT G

DISCLOSURE ABSTRACT FOR HALE AIKANE

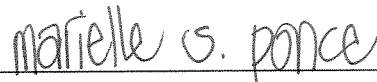
Pursuant to Hawaii Revised Statutes, Section 514(A)-61, the Developer of HALE AIKANE makes the following disclosures:

1. The Developer of the project is KENNETH H. PONCE and MARIELLE S. PONCE, husband and wife, 4611 Mamane Street, Kapaa, Hawaii 96746, telephone number (808) 822-7650.
2. See Exhibit H to the Final Public Report for the projected annual maintenance fees. The Developers hereby certify that the estimations have been based on generally accepted accounting principles.
3. There are no warranties against defects of material and workmanship in individual apartments, common elements or exclusive use areas, and the purchaser buys his/her unit in an "as is" condition.
4. All of the apartments of the project are to be used for agricultural and permitted residential purposes only. No units shall be used for hotel or timeshare purposes. There will be no commercial use except those activities permitted by County Ordinance.
5. The real estate broker for the Project is Vision Properties, Inc., whose address is 1070 Kuhio Hwy., Kapaa, Kauai, HI 96746, and whose telephone is (808) 822-4444.
6. The Developer has not conducted a reserve study in accordance with 514A-83.6, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. There are no depreciable common elements in the Project.
7. This project consists of new structures offered in condominium ownership.
8. This Project is entitled to one guest house. The right to construct the guest house is assigned to Unit 4. This right may be assigned to any other unit in the Project by written agreement which is recorded in the Bureau of Conveyances of the State of Hawaii. All provisions of the Comprehensive Zoning Ordinance of the County of Kauai, and any other laws, ordinances or regulations with applicability, shall be observed by the owner of the unit to which the guest house right applies. No use of the guest house shall impair the right of any other unit owner to construct a farm dwelling, or the offending aspect(s) of the guest house shall be removed promptly.

In witness whereof, the Developer has executed this Disclosure Abstract this
18th day of July, 2008.

Developer


KENNETH H. PONCE


MARIELLE S. PONCE

RECEIPT

The undersigned has received a copy of the foregoing Disclosure Abstract with
Exhibit H this ____ day of _____, 200 ____.

Purchaser(s):

END OF AMENDED EXHIBIT G